

Clarica Life Insurance Company-U.S. Tel 701 237-5700

2000 44th St. SW, Ste. 200 P.O. Box 2907 Fargo, ND 58108 Tel 701 237-5700 Fax 701 433-8599 www.clarica.com

November 26, 2002

VIA OVERNIGHT MAIL

The Honorable James Poolman Commissioner of Insurance North Dakota Department of Insurance 600 East Boulevard Avenue, 5<sup>th</sup> Floor Bismarck, North Dakota 58505-0320 RECEIVED

NOV 2 7 2002

Commissioner of Insurance State of North Dakota

Re: Extraordinary Dividend Request by Clarica Life Insurance Company - U.S.

Dear Commissioner Poolman:

Pursuant to Section 26.1-10-05 of the North Dakota Insurance Code, Clarica Life Insurance Company - U.S. ("Clarica") hereby requests your approval for payment of a proposed extraordinary dividend up to the amount of \$29,061,329. As explained in Item 5(c) of the Form A filed by Midland National Life Insurance Company ("Midland") with your Department on November 5, 2002 in connection with the proposed acquisition by Midland (the "Acquisition") of Clarica U.S., Inc., the holding company which owns 100% of the equity interest in Clarica, this request for an extraordinary dividend is submitted pursuant to the Stock Purchase Agreement between Midland and Clarica Life Insurance Company, the seller in the Acquisition (the "Seller"). Under that agreement, Seller is to receive the economic benefit of the sale of certain assets excluded from the Acquisition. Those excluded assets include Clarica's 85% equity interest in Ash Brokerage Corporation and AFH Financial Consortium, Inc. (the "Ash Companies"), acquired by Clarica in October 2001, and certain mortgage loans in the portfolio of Clarica (the "Presidio Mortgage Loans").

The amount of the proposed extraordinary dividend is equal to the anticipated net proceeds of the sale of these excluded assets, consisting of approximately \$26,811,329 from the sale of the Ash Companies and \$2,250,000 from the sale of the Presidio Mortgage Loans. Subject to your approval, the dividend will be paid in cash (i) after the closing of the sale of the Ash Companies by Clarica to Ash Financial Holdings Group, Inc., currently scheduled for December 6, 2002, (ii) after the closing of the sale of the Presidio Mortgage Loans, currently anticipated to occur in mid-December and (iii) before the closing of the Acquisition which, subject to your decision regarding the Form A, may occur on or about December 31, 2002.

The proposed extraordinary dividend will decrease Clarica's surplus as of the payment date by an amount equal to the proposed dividend. Please note, however, that the cash proceeds received by Clarica from the sale of the excluded assets will substantially increase Clarica's surplus just prior to the dividend payment, thus significantly diminishing the net impact of the dividend on Clarica's surplus. For purposes of SAP, the current admitted asset value of the excluded assets is approximately \$10,911,050 with the remaining value booked as non-admitted assets. Immediately following the sale of the excluded assets, the non-admitted portion of these assets will convert into admitted assets in the form of cash, thereby increasing Clarica's surplus. In addition, please note that of the \$29,061,329 proposed dividend, almost half of this

Honorable James Poolman Page 2 of 2 November 26, 2002

amount (\$14,176,220) would constitute an ordinary dividend under the North Dakota Insurance Code. The amount of Clarica's surplus following payment of the dividend will be reasonable in relation to its outstanding liabilities and adequate relative to its financial needs.

The calculation performed in determining that the proposed dividend is extraordinary is attached as Exhibit A. Also, a balance sheet as of September 30, 2002 and a statement of income for the period from January 1, 2002 to September 30, 2002 are attached as Exhibit B.

Please contact me at your convenience if you have any questions or if additional information is required.

Sincerely,

Melody R. J. Jensen ( VP - General Counsel

Ph: 1-800-283-5433 Ext. 6260

FAX: 701-433-8260

E-mail: melody.jensen@clarica.com

MRJJ/kae Enclosures

cc: Peter Demuth (w/enc.)

Kevin G. Fitzgerald (w/enc.)

#### **EXHIBIT A**

## CALCULATION OF EXTRAORDINARY DIVIDEND

FMV of Dividends (12/25/01 through 12/26/02):

<u>FMV Amount</u> <u>Date</u> <u>Form of Payment</u> \$29,061,329.00\* 12/26/02 Cash

Surplus as regards policyholders (total capital and surplus) as of 12/31/01: \$141,762,216.00

Ten percent of surplus as regards policyholders as of 12/31/01: \$14,176,221.60

Net gain from operations for the twelve-month period ending 12/31/01: \$4,737,527.00

Total dividends paid by Clarica during preceding twelve month period: \$29,061,329.00\*

Basis for Extraordinary Dividend Filing: The fair market value of total dividends to be paid by Clarica within the preceding twelve months, including the proposed extraordinary dividend, will exceed the greater of: (a) 10% of surplus as regards policyholders as of December 31, 2001; and (b) the net gain from operations for the twelve months ended as of December 31, 2001.

\* Amounts include proposed dividend

#### Exhibit B

### STATEMENT AS OF SEPTEMBER 30, 2002 OF THE Clarica Life Insurance Company-U.S.

## ASSET

	710	<u> </u>				
	Current Statement Date					
		1	2	3 Net Admitted Assets	December 31	
		Assets	Nonadmitted Assets	(Cols. 1 - 2)	Admitted Assets	
1. Bo	onds	2,141,217,095		2,141,217,095	1 ,538 ,240 ,227	
2. St	ocks:			İ		
	1 Preferred stocks					
2.2	2 Common stocks	43,247,933	19,846,261	23,401,672	26 ,705 ,699	
3 Mr	ortogoe logos on real estate:		ľ			
3.1	First liens	643 , 237 , 350		643 , 237 , 350	627 ,706 ,960	
3.2	2 Other than first liens					
4. Re	esi estate:					
4.1	1 Properties occupied by the company (less					
	encumbrances)				1,006,526	
	2 Properties held for the production of income					
	as \$1,437,052 encumbrances)	980.774		980,774	1,033,591	
	3 Properties held for sale (less					
	encumbrances)	2 841 024		2,841,024	2,841,024	
\$	Sikey loans	58 890 364	2 000	58,888,364		
			,,,,,,	35,550,504		
s. Pn	emium notes, including \$ for first year premiums					
	- · ·		······································			
7. Ca	sh (\$(1,397,660) ) and short -term		1	101,369,417	144 700 810	
inv	vestments (\$102,767,077 )	101,369,41/				
8. Ot	her invested assets	8,400		40.000.000		
9. Re	acelvable for securities	18,093,488		18,093,488		
10. Ag	gregate write-ins for invested assets	2,061,624		2,061,624	3,977,780	
11. Su	ubtotals, cash and invested assets (Lines 1					
	to 10)	3,011,947,469	19,856,661	2,992,090,808	2,383,754,794	
	einsurance ceded:					
12	.1 Amounts recoverable from reinsurers	208,334		208,334		
12	2.2 Commissions and expense allowances due	1,532,609	1	1,532,609		
12	2.3 Experience rating and other refunds due					
42	4 Other amounts receivable under reinsurance contracts		1			
13. E)	ectronic data processing equipment and software	1,271,020	374,978	896,042		
14. Fe	ederal and foreign income tax recoverable and interest thereon (including		İ			
	12,473,824 net deferred tax asset)	77,918,763	64,880,218	13,038,545	11,245,507	
15. G	uaranty funds receivable or on deposit	291,129		291,139	511,804	
18. Lif	fe insurance premiums and annuity considerations deferred and uncollected on in force business (less premiums on reinsurance ceded					
	and less \$104,738 loading)	4,355,625		4,355,625		
47 4.	ocident and health premiums due and unpaid	350				
17, A	vestment income due and accrued	31,405,706	2,627,534	28,778,172		
10. III	et adjustment in assets and flabilities due to foreign exchange rates			,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
20. 8	eceivable from parent, subsidiaries and affiliates	624,660	•		14,838,920	
20. 10	mounts receivable relating to uninsured accident and health plans					
21. Ar	mounts due from agents	551,201	551,201	,		
22. ^/	ther assets conedmitted	723,350	723,350			
24. Ag	precisie write-ins for other than invested assets	2,272,124	488,927	1,783,197		
	otal assets excluding Separate Accounts business (Lines 11 to 24)	3,133,102,350	89,502,888	3,043,599,462	2,440,741,551	
	om Separate Accounts Statement	84,574,974		84,574,974		
	·	3,217,677,324	89,502,888	3,128,174,436	2,440,741,551	
	otal (Lines 25 and 26)					
	ETAILS OF WRITE-INS	2,061,624		2,061,624		
	rchased Call Options		[			
1002			<u> </u>			
1003		***************************************		[		
1098. St	ummary of remaining write-ins for Line 10 from overflow page	2,061,624		2,061,624	3,977,780	
	otels (Lines 1001 thru 1003 plus 1098)(Line 10 above)			1,771,365		
2401. Ni	scellaneous Recelvables	1,771,365	173,927			
2402. Pr	epaid Expenses	173,927	173,927		130,000	
2403. Po	olicy Liens-accidental death benefits	Ann pan	315,000	11,832	10,113	
2498. St	ummary of remaining write-ins for Line 24 from overflow page	326,832	_	1,783,197	1,293,682	
2499. To	otals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	2,272,124	488,927	1,103,19/	1,233,002	

# LIABILITIES, SURPLUS AND OTHER FUNDS

(including \$ Aggregate reserve for accident and health contracts (including \$ S. Aggregate reserve for accident and health contracts (including \$ S. Modoo Reserve). \$ S. \$1,927,93 \$ S. \$0,92,793 \$ S. \$	11,783,8 294,3 6 53,0
(including \$ Modo Reserve)	358,3 18,402,4 11,783,8 294,3 6 53,0
2. Aggregate reserve for accident and health contracts (including \$	18,402,4 11,783,8 294,3 .6 .53,0
3. Lability for deposit-type contracts (including \$ 4.1 Life 4.1 Contract daims 4.1 Life 4.2 Contract daims 4.1 Life 5. Polisy/noticer's (indends \$ 1.324 and coupons \$ 4.2 Accident and health 1.324 5. Polisy/noticer's (indends \$ 1.324 and coupons \$ 4.1 Contract daims 5. Polisy/noticer's (indends \$ 1.324 and coupons \$ 1.1 Commissions apportioned for payment to (including \$ 2. Dividends apportioned for payment to (including \$ 3. Accupons and similar benefits (including \$ 3. Accupons and similar benefits (including \$ 3. Accupons and similar benefits (including \$ 3. Coupons and similar benefits (including \$ 4. Accident and health parmitums  5. Premitums and annuity considerations to life and accident and health contracts including \$ 4. Contract fabilities not included elsewhere:  9. Contract fabilities not included elsewhere:  1. Commissions and expenses allowered contract fabilities and elsewhere:  1. Commissions and expenses elsewhere:  1. Commissions and expenses elsewhere:  1. Commissions and expenses allowered elsewhere:  1. Commissions and expenses docured elsewhere:  1. Commissions and expenses and elsewhere:  1. Commissions	11,783,8 294,3 6 53,0
4. Contract claims:  7. July 24 A2 Accident and health	294 . 3 5 53 . 0 26 , 4
4.2 Accident and health	294 . 3 5 53 . 0 26 , 4
4.2 Accident and health	53.0
5. Polisyloniders' dividends \$	
5. Provision for policyholders' dividends and coupons paystoen in accurring various for policyholders' dividends not yet apportioned for payment to (including \$ Modoo Reserve)	
6.1 Orkidends apportioned for payment to 2.2 Dividends not vet apportioned (including \$ Modoo Reserve).  8.2 Dividends not vet apportioned (including \$ Modoo Reserve).  8.3 Coupons and similar benefits (including \$ Modoo Reserve).  8.4 Amount provisionally held for deferred dividend policies not included in Line \$	
2.2 Dividends not yet apportioned (including \$ Mocco Reserve)  7. Anount provisionally held for deferred dividend policies not included in Line 8.  7. Premiums and annuity considerations for lite and accident and health premiums  9. Contract liabilities not included sisswhers:  9. Contract liabilities not included sisswhers:  9. I Sumender values on canceled contracts  9. Premiums and annuity considerations for lite and accident and health premiums  9. Provision for appelience rating refunds, including \$ accident and health premiums  9. Provision for appelience rating refunds, including \$ accident and health experience rating refunds  9. Pother amounts payable on reinsurance including \$ accident and health experience rating refunds  9. I interest Maintenance Reserve  9. Commissions to agenit due or accrued—file and annuity contracts \$ 2,654,739  20. Commissions to agenit due or accrued file and annuity contracts \$ 2,654,739  21. Commissions and expenses allowances payable on reinsurance assumed  22. Commissions and expenses such or accrued.  23. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves).  24. Taxes, ilconses and fees due or accrued, excluding federal income taxes  25. Federal and foreign income taxes, including \$ accrued file and annuity accounts and accounts accounts and accounts and accounts and accounts and accounts and accounts accounts and accounts and accounts and accounts and acc	
8.3. Coupons and similar benefits (including \$ 7. Amount provisionally held for deferred dividend policies not included in Line \$ 8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ 9. Contract liabilities not included elsewhers: 9.1 Surrander values on cancelled colsevhers: 9.2 Provision for experience rating refunds, including \$ accident and health experience rating refunds. 9.4 Interest Maintenance Reserve 9.9.4 Interest Maintenance Reserve 9.9.4 Interest Maintenance Reserve 9.9.4 Interest Maintenance Reserve 9.4 And deposit-type contract funds \$ 2,554,739 9.4 (Interest Maintenance Reserve 9.4 And deposit-type contract funds \$ 1,532,609 9.4 (Interest Maintenance Reserve 9.4 And deposit-type contract funds \$ 1,532,609 9.4 (Interest Maintenance Reserve 9.4 And deposit-type contract funds \$ 1,532,609 9.4 (Interest Maintenance Reserve 9.4 And deposit-type contract funds \$ 1,532,609 9.4 (Interest Maintenance Reserve 9.4 And deposit-type contract funds \$ 1,532,609 9.4 (Interest Maintenance Reserve 9.4 And deposit-type contract funds \$ 1,532,609 9.4 (Interest Maintenance 9.4 (Including \$ 1,784,535 9.4 (Interest Maintenance 9.4 (Including \$ 1,784,535 9.4 (Interest Maintenance 9.4 (Including \$ 1,784,535 9.4 (Interest Maintenance 9.4 (Inte	
7. Amount provisionally held for deferred dividend policies on included in death contracts received in advance less \$	
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9.1 Surrander values on canceled contracts 2.2 Provision for experience rating refunds, including \$ accident and health experience rating refunds 9.2 Other amounts psyable on reinsurance including \$ assumed and \$ ceded 9.3 Other amounts psyable on reinsurance including \$ assumed and \$ ceded 9.4 Interest Maintenance Reserve 9.4 Interest Maintenance Reserve 9.5 Other amounts psyable on reinsurance including \$ accident and health \$ ceded \$ 13,784,535 \$ 2,654,739	
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\$ 4,068,693 net deferred tax liability)	. 6 117
39, 782  Amounts withheld or retained by company as agent or irustee  50, 133  Amounts held for agents' account, including \$ 50, 133 agents' credit balances  Remittances and items not allocated  Net adjustment in assets and liabilities due to foreign exchange rates  Liability for benefits for employees and agents if not included above  Borrowed money \$ and interest thereon \$  Dividends to stockholders declared and unpaid  Miscellaneous liabilities:  24.1 Asset valuation reserve  24.2 Reinsurance in unauthorized companies  24.3 Funds held under reinsurance treaties with unauthorized reinsurers  24.4 Payable to parent, subsidiares and affiliates  24.5 Drafts outstanding  24.6 Liability for amounts held under uninsured accident and health plans  24.7 Funds held under coinsurance  24.8 Payable for securities  24.9 Capital notes \$  14,285,319  25, Aggregate write-ins for liabilities  705,216  70	
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3. Amounts held for agents' account, Including \$	
2. Remittances and litems not allocated 2. Not adjustment in assets and liabilities due to foreign exchange rates 3. Liability for benefits for employees and agents if not included above 2. Borrowed money \$ and interest thereon \$ 3. Dividends to stockholders declared and unpaid 4. Miscellaneous liabilities: 2. Reinsurance in unauthorized companies 2. 24.1 Asset valuation reserve 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized reinsurers 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized reinsurers 2. Reinsurance in unauthorized companies 2. Reinsurance in unauthorized reinsurers 2. Reinsurance in unauthorized ensurers 2. Reinsurance in unauthorized e	
Net adjustment in assets and liabilities due to foreign extrainty state.  Liability for benefits for employees and agents if not included above.  Borrowed money \$  Dividends to stockholders declared and unpaid.  Miscellaneous liabilities:  24. 1 Asset valuation reserve.  24. 2 Reinsurance in unauthorized companies.  24. 2 Funds held under reinsurance treatles with unauthorized reinsurers.  24. 3 Funds held under reinsurance treatles with unauthorized reinsurers.  24. 4 Payable to parent, subsidiaries and affiliates.  24. 5 Drafts outstanding.  24. 6 Liability for amounts held under uninsured accident and health plans.  24. 7 Funds held under coinsurance.  24. 8 Payable for securities.  24. 9 Capital notes \$  14. 285, 319  5. Aggregate write-ins for liabilities.  5. Total Liabilities excluding Separate Accounts business (Lines 1 to 25).  8. 33, 203, 531  7. From Separate Accounts Statement.  8. Total Liabilities (Lines 26 and 27).  9. Common capital stock.  9. Preferred capital stock.  10. Preferred capital stock.  11. Aggregate write-ins for other than special surplus funds.  22. Surplus notes.  13. Gross paid in and contributed surplus.  14. Aggregate write-ins for special surplus funds.  15. Unassigned funds (surplus).	
1. Liability for benefits for employees and agents if not included above 2 Borrowed money \$ and interest thereon \$ 3. Dividends to stockholders declared and unpaid 4. Miscellaneous liabilities: 33,572,590 24.1 Asset valuation reserve 28,075 24.2 Reinsurance in unauthorized companies 24.3 Funds held under reinsurance treaties with unauthorized reinsurers 705,216 24.4 Payable to parent, subsidiaries and affiliates 25,068 24.5 Orafts outstanding 24.6 Liability for amounts held under uninsured accident and health plans 24.7 Funds held under coinsurance 52,880,077 24.8 Payable for securities 14,285,319 24.9 Capital notes \$ and interest thereon \$ 14,285,319 25. Aggregate write-ins for liabilities 29,317,219,351 26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25) 83,203,631 27. From Separate Accounts Statement 3,000,422,982 28. Total Liabilities (Lines 26 and 27) 83,150,000 29. Common capital stock 28,000,000 30. Preferred capital stock 28,000,000 31. Aggregate write-ins for other than special surplus funds 28,000,000 32. Surplus notes 79,191,400 33. Gross paid in and contributed surplus 4,000,000 34. Aggregate write-ins for special surplus funds 117,410,052 35. Less treasury stock, at cost:	
2. Borrowed money \$ and interest thereon \$ 3. Dividends to stockholders declared and unpaid \$ 4. Misceltaneous liabilities:	
3. Dividends to stockholders declared and unpaid 4. Miscellaneous liabilities: 24.1 Asset valuation reserve. 24.2 Reinsurance in unauthorized companies. 24.3 Funds held under reinsurance treaties with unauthorized reinsurers. 24.4 Payable to parent, subskillaries and affiliates. 24.5 Drafts outstanding. 24.6 Liability for amounts held under uninsured accident and health plans. 24.7 Funds held under coinsurance. 24.8 Payable for securities. 24.9 Capital notes \$ 31, 203, 319 25. Aggregate write-ins for iliabilities. 25. Total Liabilities excluding Separate Accounts business (Lines 1 to 25). 27. From Separate Accounts Statement. 28. Total Liabilities (Lines 26 and 27). 29. Common capital stock. 30. Preferred capital stock. 31. Aggregate write-ins for other than special surplus funds. 32. Surplus notes. 33. (20, 30, 30, 30, 30, 30, 30, 30, 30, 30, 3	g
24. Miscellaneous liabilities:       33,572,590         24.1 Asset valuation reserve       28,075         24.2 Reinsurance in unauthorized companies       705,216         24.3 Funds held under reinsurance treaties with unauthorized reinsurers       705,216         24.4 Payable to parent, subskidarles and affiliates       25,068         24.5 Drafts outstanding       25,068         24.5 Usbility for amounts held under uninsured accident and health plans       52,880,077         24.8 Payable for securities       52,880,077         24.9 Capital notes 5       and interest thereon 5       14,285,319         25. Aggregate write-ins for liabilities       2,917,219,351         26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)       83,203,631         27. From Separate Accounts Statement       3,000,422,982         28. Total Liabilities (Lines 26 and 27)       3,150,000         29. Common capital stock       3.         30. Preferred capital stock       2.8 000,000         31. Aggregate write-ins for other than special surplus funds       2.8 000,000         32. Surplus notes       79, 191,400         33. Gross paid in and contributed surplus       17, 410,052         34. Lass freezery stock, at cost:       1. Lass freezery stock, at cost:	****
24.2 Reinsurance in unauthorized companies       705,216         24.3 Funds held under reinsurance treatles with unauthorized reinsurers       705,216         24.4 Payable to parent, subsidiaries and affiliates       25,068         24.5 Drafts outstanding       24.6 Liability for amounts held under uninsured accident and health plans         24.7 Funds held under coinsurance       52,880,077         24.8 Payable for securities       14,285,319         25. Aggregate write-ins for liabilities       2,917,219,351         26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)       33,203,631         27. From Separate Accounts Statement       3,000,422,982         28. Total Liabilities (Lines 26 and 27)       3,150,000         29. Common capital stock       30.         30. Preferred capital stock       22,000,000         31. Aggregate write-ins for other than special surplus funds       28,000,000         32. Surplus notes       79,191,400         33. Gross paid in and contributed surplus       17,410,052         34. Less treesury stock, at cost:       117,410,052	24 716
24.2 Reinsurance in unauthorized companies       705,216         24.3 Funds held under reinsurance treatles with unauthorized reinsurers       705,216         24.4 Payable to parent, subsidiaries and affiliates       25,068         24.5 Drafts outstanding       24.6 Liability for amounts held under uninsured accident and health plans         24.7 Funds held under coinsurance       52,880,077         24.8 Payable for securities       14,285,319         25. Aggregate write-ins for ilabilities       2,917,219,351         26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)       33,203,631         27. From Separate Accounts Statement       3,000,422,982         28. Total Liabilities (Lines 26 and 27)       3,150,000         29. Common capital stock       31,150,000         29. Preferred capital stock       28,000,000         30. Preferred capital stock       28,000,000         31. Aggregate write-ins for other than special surplus funds       28,000,000         32. Surplus notes       79,191,400         33. Gross paid in and contributed surplus       117,410,052         34. Lass freesury stock, at cost:       117,410,052	70
24.3 Funds held under reinsurance treaties with unauthorized reinsurers       705, 216         24.4 Payable to parent, subsidiaries and affiliates       25,068         24.5 Drafts duststanding       25,068         24.6 Liability for amounts held under uninsured accident and health plans       52,880,077         24.8 Payable for securities       52,880,077         24.9 Capital notes \$       14,285,319         25. Aggregate write-ins for liabilities       2,917,219,351         26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)       33,203,631         27. From Separate Accounts Statement       3,000,422,982         26. Total Liabilities (Lines 28 and 27)       3,150,000         29. Common capital stock       30. Preferred capital stock         30. Aggregate write-ins for other than special surplus funds       28,000,000         31. Aggregate write-ins for other than special surplus funds       79,191,400         32. Surplus notes       79,191,400         33. Gross paid in and contributed surplus       17,410,052         34. Lass freesury stock, at cost:       11,410,052	
24.4 Payable to parent, subsidiaries and affiliates       25,068         24.5 Drafts outstanding       2.5 Common captal stock         24.6 Liability for amounts held under uninsured accident and health plans       52,880,077         24.7 Funds held under coinsurance       52,880,077         24.8 Payable for securities       14,285,319         24.9 Capitat notes \$ and interest thereon \$ 2,917,219,351       2,917,219,351         25. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)       83,203,631         27. From Separate Accounts Statement       3,000,422,982         28. Total Liabilities (Lines 26 and 27)       3,150,000         29. Common capital stock       3         30. Preferred capital stock       28,000,000         31. Aggregate write-ins for other than special surplus funds       28,000,000         32. Surplus notes       79,191,400         33. Gross paid in and contributed surplus       17,410,052         34. Aggregate write-ins for special surplus funds       17,410,052         35. Unassigned funds (surplus)       17,410,052	670
24.5 Drafts outstanding.       24.6 Liability for amounts held under uninsured accident and health plans         24.7 Funds held under coinsurance.       52,880,077         24.8 Payable for securities.       14,285,119         25. Aggregate write-ins for liabilities.       2,917,219,351         25. Total Liabilities excluding Separate Accounts business (Lines 1 to 25).       81,203,631         26. Total Liabilities (Lines 26 and 27).       31,000,422,982         27. From Separate Accounts Statement.       3,000,422,982         28. Total Liabilities (Lines 26 and 27).       3,150,000         29. Common capital stock.       30. Preferred capital stock.         30. Preferred capital stock.       28,000,000         31. Aggregate write-ins for other than special surplus funds.       28,000,000         32. Surplus notes.       79,191,400         34. Aggregate write-ins for special surplus funds.       117,410,052         35. Unassigned funds (surplus)       117,410,052         36. Less freesury stock, at cost:       111,410,052	216
24.5 Liability for amounts held under uninsured accident and nearur plans       \$2,80,077         24.7 Funds held under coinsurance       \$2,880,077         24.8 Payable for securities       \$14,285,319         25. Aggregate write-ins for liabilities       \$2,917,219,351         26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)       \$3,203,631         27. From Separate Accounts Statement       \$3,000,422,982         26. Total Liabilities (Lines 26 and 27)       \$3,150,000         29. Common capital stock       \$3,150,000         30. Preferred capital stock       \$2,800,000         31. Aggregate write-ins for other than special surplus funds       \$2,800,000         32. Surplus notes       \$79,191,400         34. Aggregate write-ins for special surplus funds       \$17,410,052         35. Unassigned funds (surplus)       \$17,410,052         36. Less reesury stock, at cost:       \$1,244,115,278	
24.7 Funds held under coinsurance       .52,880,077         24.8 Payable for securities       14,285,319         25. Aggregate write-ins for liabilities       2,917,219,351         25. Aggregate write-ins for liabilities       33,203,631         27. From Separate Accounts Statement       300,422,982         27. From Separate Accounts Statement       3,000,422,982         28. Total Liabilities (Lines 28 and 27)       3,150,000         29. Common capital stock       30, Preferred capital stock         31. Aggregate write-ins for other than special surplus funds       28,000,000         32. Surplus notes       79,191,400         33. Gross paid in and contributed surplus       17,410,052         34. Aggregate write-ins for special surplus funds       17,410,052         35. Unassigned funds (surplus)       17,410,052         36. Less freesury stock, at cost:       18,244,411,10,28	
24.8 Payable for securities       14,285,319         24.9 Capital notes \$       and interest thereon \$         25. Aggregate write-ins for liabilities       2,917,219,351         26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)       83,203,631         27. From Separate Accounts Statement       3,000,422,982         28. Total Liabilities (Lines 26 and 27)       3,150,000         29. Common capital stock       3         30. Preferred capital stock       28,000,000         31. Aggregate write-ins for other than special surplus funds       28,000,000         32. Surplus notes       79,191,400         33. Gross paid in and contributed surplus       17,410,052         34. Aggregate write-ins for special surplus funds       17,410,052         35. Unassigned funds (surplus)       17,410,052         36. Less freesury stock, at cost:       18,224,245,245,245,245,245,245,245,245,245	
24.9 Capital notes \$     14,285,319       25. Aggregate write-ins for liabilities     2,917,219,351       26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)     83,203,651       27. From Separate Accounts Statement     3,000,422,982       28. Total Liabilities (Lines 26 and 27)     -       29. Common capital stock     -       30. Preferred capital stock     28,000,000       21. Aggregate write-ins for other than special surplus funds     28,000,000       32. Surplus notes     .79,191,400       33. Grass paid in and contributed surplus     .17,410,052       34. Aggregate write-ins for special surplus funds     .17,410,052       35. Unassigned funds (surplus)	
2, 917, 219, 351	15,027
88. Total Liabilities excluding Separate Accounts business (Lines 1to 23)	
17. From Separate Accounts Statement   3,000,422,982	2,298,979
18. Total Liabilities (Lines 28 and 27)   3,150,000     29. Common capital stock   10. Operating the properties of the respective for the special surplus funds   28,000,000     31. Aggregate write-ins for other than special surplus funds   28,000,000     32. Surplus notes   79,191,400     33. Gross paid in and contributed surplus   79,191,400     34. Aggregate write-ins for special surplus funds   17,410,052     35. Unassigned funds (surplus)   17,410,052     36. Less treasury stock, at cost:   18,000,000     37. Stock   18,000,000     38. Stock   18,000,000     39. Stock   18,000,000     39. Stock   19,000,000     39. Stock   19,000,000     39. Stock   19,000,000     39. Stock   19,000,000     49. Stock   19,00	2,298,979
28. Common capital stock  10. Preferred capital stock  11. Aggregate write-ins for other than special surplus funds  12. Surplus notes  13. Gross paid in and contributed surplus  14. Aggregate write-ins for special surplus funds  15. Unassigned funds (surplus)  16. Less treasury stock, at cost:	2,245,3/9
90. Preferred capital stock 11. Aggregate write-ins for other than special surplus funds 12. Surplus notes 13. Gross paid in and contributed surplus 14. Aggregate write-ins for special surplus 15. Unassigned funds (surplus) 16. Less treasury stock, at cost:	
10. Perferred capital stock   28.000,000     11. Aggregate write-ins for other than special surplus funds   28.000,000     12. Surplus notes   79,191,400     13. Gross paid in and contributed surplus   79,191,400     14. Aggregate write-ins for special surplus tunds   17,410,052     15. Unassigned funds (surplus)   17,410,052     16. Less treasury stock, at cost:	
11. Aggregate write-ins for other than special surplus runos	
33. Gross paid in and contributed surplus 34. Aggregate write-ins for special surplus funds 35. Unassigned funds (surplus) 36. Less treasury stock, at cost:  37. 410,052	20,000
34. Aggregate write-ins for special surplus funds	
35. Unassigned funds (surplus)	
36. Less treasury stock, at cost:	49 , 420
As 4 SUBJECT LEGISLOUP LANGUAGE TO THE STATE OF THE STATE	
36.1 shares common (value included in Line 20 \$	478 641
	138,612
37. Surplus (total Lines 31 + 32 + 33 + 34 + 35 - 38) (Including 3  127,751,452  38. Totals of Lines 29, 30 and 37  3,128,174,434	141,762
38. Totals of Lines 29, 30 and 37 3,128,174,434	2,440,741
39. Totals of Lines 28 and 38	
DETAILS OF WRITE-INS 14,276,177	13.51
DETAILS OF WRITE-INS 14,275,177 Deposit Administration Account Funding Retirement Plans (164, 301)	1,45
D1. Deposit Administration Account Funding Retirement Frams 2. Payable to Brokers, Reinsurers and Others	5
pa Summary of ramaining write-ins for Line 25 from overnow page	15,02
98. Summary of remaining write-ins for Line 31 from overflow page	
The state of the s	
493. Summary of remaining write-ins for Line 34 from overflow page	

# SUMMARY OF OPERATIONS (Excluding Unrealized Capital Gains and Losses)

		1 Current Year To Date	2 Prior Year Year to Date	3 Prior Year Ended December 31
1 Ometro	ns and annuity considerations for life and accident and health policies and contracts		256,618,609	550,982,544
2 C	and the experience engineers with II/e configurations		258,985	825,56
2 Mad Image	setment longers	113,914,005	87,574,691	125,010,130
4 4	-ut (-tt Maintenages Casasia //MC)		1,673,812	
	- Accounts not gain from cognitions excluding uprealized gains of losses		1,147,773	10,510,01
6. Commis	sions and expense allowances on reinsurance ceded			
	adjustments on reinsurance ceded			
9 4 1000	neous income: me from fees associated with investment management, administration and contract guarantees m Separate Accounts			
a 2 Cha	mae and fees for denosit-type contracts			
8.2 CHB	regate write-ins for miscellaneous income	45,615 [.	538,568	853,77
0 Totale (	Ince 1 to 8 3)		347,822,438	
40 0				
11 Mahirad	Landowments (excluding guaranteed annual ours andowments)		120,767	153,16 931,5
12. Annuity	benefits			922,9
13. Olsabilit	by benefits and benefits under accident and health contracts	2,0/3,/13 [.		
14. Coupon	s, guaranteed annual pure endowments and similar benefits	55,369,210	65,888.004	87 .372,27
15. Surrend	er benefits and withdrawels for life contracts			
16. Group c	and adjustments on contract or deposit-type contract funds	1,399,705	959,153	
18 0	de de autoriamentany contracts with life conflorancies	1,695,442	1,566,500	1,992,2
10 Incomes	a to appreciate reserves for life and accident and health contracts		176,649,595	, 451 , 633 , 4
20 Tatala /	lines 10 to 101	010,730,323 [.	288,397.827	
21 Commis	relong on pramiting, appelling considerations, and deposit-type contract funds(direct business only)		21,534,211	40 . 194 , 7
22 Commis	elone and evapore allowances on reinsurance assumed		46 004 774	8,064,5 26,858,4
	Day	24,658,1/8 1.	18,884,771	
24	an towns likewood and food such ding federal income taxes		4,170,745	5,889,3 
75 Increase	e in loading on deferred and uncollected premiums	42,941	33,489	
26. Net tran	isfers to or (from) Separate Accounts	2,276,411	1,772,011	3,508.7
27. Aggrega	ate write-ins for deductions	762,121,787	334,793,054	685.965.3
28. Totals (				
28	nrom operations before dividends to policyholders and federal income taxes (Line 9 minus Line )	(11,281,568) 24,061	13,029,384 28,567	4,737,5 , 41,2
	ds to policyholders			
31. Net gair	n from operations after dividends to policyholders and before rederal income cases (cline are thinka ne 30)	(11,305,629)	13,000,817	4,696.2
12 Sections	and foreign iccome taxes incurred (excluding tax on capital gains)	(174,090)	6,586,477	4,044,2
33. Net gali	n from operations after dividends to policyholders and federal income taxes and before realized of the come taxes and before realized	(11,131,539)		652,0
34. Net real	fized capital gains or (losses) less capital gains tax of \$ (excluding	1	/ccc 007)	(4.768,5
ta-	ves of \$ transferred to the IMR)	(5,014,938)	(665,027)	(4,116,4
35. Net inc		(16, 146, 477)	5,749,313	
	CAPITAL AND SURPLUS ACCOUNT	141 752 224	136,261,426	136,261,4
36. Capital	and surplus, Decamber 31, prior year	(16, 146, 477)	5,749,313	(4,116,4
37. Net inc	and sarpus, December 31, prior year onne (Line 35). e in net unrealized capital gains (losses)	(5.835.354)	10 .557 .074	(805.8
36 01	- to and consultant faceling evolutions and the color (loss)	L		
				68,995,0
A1 Chance	e in non-admitted assets and related flems			(60,931,4
42 Chann	is liability for reinsurance in use thorized companies		*************************************	
	the state of the s		(8,524,916)	(3 651 A
44 Change	a la secal valuation reserve		(0,324,910)	
46 Chann	_ la tasa au sa et acte	(500,000)		
	to the text of the decree from Concerns Appearate during collect	500,000		-
47. Other o	s (contributed to) withdrawn north Separate Accounts during person thanges in surplus in Separate Accounts Statement			
48. Change	changes in surprus in Separate Accounts Setember			
			•	
50. Capital	i changes:	18,000,000		
50.1 P	ard in			
50.2 To	ransferred to surplus	ļ	*********************	
	s adjustment:			
51.1 P	ald in	}		
51.2 Tr	ransferred to capital (Stock Dividend)	·····		
51.3 To	ransferred from capital	} <del></del> -		
51.4 C	hange in surplus as a result of reinsurance			
52. Divider	nds to stockholders	(629, 408)	5,372,334	5,372,3
53. Aggreg	ate write-ins for gains and losses in surplus	(14,010,763)	21,765,611	5,500,7
54. Net chi	ange in capital and surplus for the year (Lines 37 through 53)	127, 751, 461	158,027,037	141,762,2
	and surplus, as of statement date (Lines 36 + 54)			
DETAI	LS OF WRITE-INS  aneous income	45,615	538,568	
8,301. NISCBI	Income.			31.0
8 201				
8,398. Summ	ary of remaining write-ins for Line 8.3 from overflow page	45,615	538,568	853.7
R 300 TOTAL	S (Lines 08 301 tho; 08 303 plus 08 398) (Line 8.3 above)		452.410	719,8
2701 locs / /	Dect) in Deposit Administration Account Funding Retirement Plans		48,523	574.2
2707 Patica	seent Plan Payments	1.046.586	1,271,078	2.214,6
2703. Intere	ast Expense on Surplus Note	1,0,0,000		
2798. Summ	vary of remaining write-ins for Line 27 from overflow page	2,276,411	1,772.011	3,508,7
2799. Totals	(Lines 2701 thru 2703 plus 2798)(Line 27 above)		.5,372,334	5,372,3
5301, Corre	ction of prior year error	(629,408)		1 .
5302, Trans	fer post ratifement funds		<u></u>	
5303	nary of ramaining write-ins for Line 53 from overflow page	ļ		
	nary of remaining write-ins for Line 53 from overnow page.  (Lines 5301 thru 5303 plus 5398)(Line 53 above)	(629,408)	5,372,334	5,372,3